The Appropriation (No. 5) Bill, 2005

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): Sir, I move:

> "That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 2005-06, as passed by Lok Sabha, be taken into consideration."

Sir, in this Supplementary, I am asking for a cash outgo of only Rs. 1965.13 crore. The rest, namely, Rs. 7,114.08 crores, are technical supplementaries, and Rs. 60 lakhs is a token provision, in order to enable reappropriation. Hon. Members would have noticed that each one of the items, in which additional cash outgo is benig asked, is a very essential item. These include, for the Department of Fertilizers, subsidy; we are asking Rs. 1,000 crores. For the Ministry of Commerce and Industry, to settle outstanding claims of the State Trading Corporation, we are asking Rs. 103 crores. For assistance from the National Calamities Contingency Fund for calamities of severe nature, Rs. 200 crores; lumpsum provision for revival schemes of the public sector enterprises, Rs. 116 crores; for reimbursement of losses to the Cotton Corporation of India, Rs. 255 crores.

Therefore, Sir, these are very essential items of expenditure. I humbly request the House to pass them.

The question was proposed.

SHRI YASHWANT SINHA (Jharkhand): Sir, as the Finance Minister has explained, the second batch of Supplementary Demands involves some net cash outgo, some additional expenditure matched by savings or receipts sand some token grants.

Now, on this issue, I would not like to take the time of the House, except to repeat the point that I made earlier, that many of these items of expenditure could and should have been anticipated at the time of framing the Budget. And, again, I will have to join issue with the hon. Finance Minister by saying that, obviously, the exercise of the Budget did not receive the kind of application of mind which should have been there; and many of these items of expenditure could have been avoided. Now, having said that, I would also like to say that this discussion on

Supplementary Demands provides us an opportunity to discuss some of the current issues in the economic situation of the country. The Finance Minister has presented to Parliament, to this House also, the Mid-year Review and this is opportunity when we could take up the discussion on some of the issues, as I said, and this is what I propose to do, with your permission.

Sir, from all accounts, the economy is doing well, very well indeed. We are all justly proud of the fact that India is now one of the fastest growing economies, perhaps, second only to China, that our growth rate is very healthy, and that the quality of the growth rate has undergone a subtle change in the sense that this growth rate is backed by growth in industrial sector, this growth is backed by growth in the services sector. Growth, as far as the agricultural sector is concerned, remains below expectations. And, as the Finance Minister has said, it could be around 2 per cent for the current year. The only point which I would like to make here is, in the Mid-Year Review, the Finance Minister has been, perhaps, more than cautious. The first six months' growth rate is 8.1 per cent. But he has projected a growth rate of 7 per cent for the economy.

ONE HON. MEMBER: Over seven per cent.

SHRI YASHWANT SINHA: Over 7 per cent. But over seven per cent could also be 20 per cent.

SHRI SANTOSH BAGRODIA (Rajasthan): Yes, why not!

SHRI YASHWANT SINHA: Certainly. So, over seven percent, the sky is the limit. I hope we grow by 20 per cent, 30 per cent, 50 per cent.

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): We all will be happy.

SHRI YASHWANT SINHA: But, the point I am making is, we would like the Finance Minister to take the House into confidence and explain why he has been cautious over this. Why is it that he takes it over seven per cent, not over eight per cent? Where does he expect deceleration in the next six months for him to be so cautious with regard to the growth rate? But, having said that the growth rate is healthy, the growth rate is something that the nation can be happy about, and the

Stock Market is booming as never before; there doesn't appear to be any end in sight about where the Stock Market Bombay index will actually stop. I would like to sound a note of caution on my part. Sir, there are some concerns in the economy, and I will point out those concerns. As far as growth itself in concerned, I am not saying that it is going to go down drastically, or, substantially. But, the point which I would like to make is that from the figures, it appears, as if the growth rate is plateauing-out. That we appear to have reached a plateau and that it will not be going up, as it has done over the last three years; but it will be, perhaps, slower than that. And, there are, for instance, examples of that. Sir, the growth rate in the manufacturing sector in quarter one of this financial year was 11.3 per cent. In the second quarter, it was only 9.2 per cent. Now, even if we compare it with the earlier years' growth rate, in many areas, we are saying this plateauing-out-effect. There are warnings, Sir, that in the absence of reforms, we will not be able to maintain the momentum of this growth. There have been many, many people and organisations which have already issued such a warning. And, without going into the details of those warnings, which I am sure, the Finance Minister is aware of, the only point which I would like to make is that these are issues of concern which, I am sure, he will take note of and take corrective action.

Sir, the second point is, a sign of concern in the economy continues to be inflation. And, I can, perhaps, do no better than read out to you, Sir, the Mid-term Review and the Annual Policy Statement issued by the Reserve Bank of India itself. Sir, in the Mid-year Review, the issue is that the full impact, the Petroleum Minister is sitting here, of the crude price hike globally has not yet been passed on. And, this remains an issue of concern. that, if at all, at any point of time, whichever way you look at it, you either pass it on to the consumer, it will have an impact on domestic inflation; you don't pass it on to the consumer, you add to the depletion of the profits of the oil companies, or, you keep the burden on the fiscal front in the Budget, it is bound to have an inflation. So, we are postponing in a way, we are postponing the doomsday. But, either way, Sir, we are caught in a situation where inflation will remain an issue of concern. And, Sir, even, as far as the Mid-year Review, as I said, or, the Reserve Bank of India Mid-term Appraisal is concerned, on the inflation front, everyone has expressed concern.

Four and a half per cent at this point of time!.But we know that when the inflation is rising week after week, then there is always an element; and very rarely the Finance Ministers do look at the actual figures, but most people forget when the actual figures come. And we know that there is a lapse in the collection of statistics, as a result of which there could be a gap of 50 basis points, 75 basis point in the rate of inflation. So, if inflation is already at five per cent, it is a matter of concern.

I am aware that Government claims credit for the fact that they have taken a number of monetary steps in order to rein in inflation. But as I said, it is the genie of the ghost of that petroleum price hike which has been kept within the bottle. The moment it is released, the inflation is going to cross unsustainable limits.

The second point of concern to me is the fiscal situation. Now, why am I saying it, Sir? I am saying it because the Finance Minister has been very lucky, revenues are going up at a very, very healthy pace. Tax revenue over the first six months has gone up by 22 per cent as compared to 16.4 per cent last year. He has imposed many taxes in his two Budgets. And I do not think, perhaps, when the presents his third Budget, there would be hardly any letter on the English language which will not relate directly to some tax or the other—STT, FBT, CTT, and things like that. Sir, even if you do not count 2 per cent cess on education, there is a tidy sum of money that you are raising. The April-November figure, which I collected from the media, will go to show that as far as these three taxes are concerned—namely, Securities Transaction Tax, Fringe Benefit Tax, Banking Cash Transaction Tax—you already have up to November a decent sum of almost Rs. 3,500 crores. Therefore, by March—I do not know, maybe, you will end up collecting Rs. 6,000 crores. But this is a burden on someone. The Fringe Benefit Tax and the Cash Transaction Tax, as I said earlier, are something where I have not been able to understand the logic behind these two. On the Fringe Benefit Tax, you are actually putting your hand in the pockets of people in a manner which is not decent. The Fringe Benefit Tax and the Cash Transaction Tax amount to almost 'stealing' revenue. The great explanation offered by the Finance Minister to Parliament as far as the Cash Transaction Tax is concerned was that it would help him located black money in the economy. Now

6-7 months of the year have already passed. He has already ended up collecting Rs. 155 crores according to the figures on Cash Transaction Tax. What I would like to know from the hon. Minister is how many black money transactions have actually been unearthed, identified, as a result of imposition of the Cash Transaction Tax. And what has been the result of the investigations that you have been able to initiate as a result of imposition of this tax?

The point I am making, however, is different. The point I am making is, on the tax side, on the non-tax side—if you take the tax and non-tax side, the revenues of the Government are growing at 35 per cent. With such healthy tax collection, with imposition of fresh levy on unsuspecting people, why is it, Sir, that the Finance Minister had to announce in his Budget Speech that as far as the Fiscal Responsibility and Budget Management Act was concerned, he was pressing the pause button.

And, Sir, on the fiscal side, his Mid-Term Review, will go to say that the six-monthly targets, which have been fixed under the rules of the FRBLI, have not been met. None of the six-monthly targets have been met. We are aware of the fact that on the revenue deficit side, especially, the Government is way out of the targets which are prescribed by the FRBEN. So, on the fiscal front, I have a great concern, despite more than a healthy growth in revenues. Now, I am putting these two together and the point I would like to make for the hon. Finance Minister, through you, is that the increase in inflation, the non-meeting of the targets on the fiscal front will have an impact, is bound to have impact, on the interest rates. And, that continues to be my primary concern, If the Indian economy, today, is doing well, I have no doubt in my mind that it is because of the regime of benign interest rates which have prevailed over the last many years. And this has been a major achievement of our economy that we have been able to control inflation on the one hand and bring interest rates down, gradually, to a level which has made the cost of money almost internationally competitive. Therefore, it has aided the Indian industry to compete globally. Now, therefore, I would, again, like to caution the hon. Finance Minister, because of these developments, if there is pressure on interest rates and if interest rates go up then, it is bound to have a deleterious impact on the economy. There is no way. Their are two other factors. Globally the interest rates are going up. The U.S. Federal Agency has already raised the interest rates to 4.25 per cent. There is a liquidity

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over-hang in the global economy as a result of the large amounts of money being made by the oil exporting countries. Therefore, the international, the global situation, unfortunately, is got propitious for the hon. Finance Minister to control interest rates here. There is the pressure of global interest rates. There is the pressure of domestic factors. Both converge to suggest that interest rates in future might be hard. There Reserve Bank of India, in its Mid-Term Review, has already raised it by 25 basis points—the reverse repo-rate and the repo-rate. The outlook, therefore, for the rest of the year and the next year, continues to be somewhat dim because of all these factors that I have mentioned. And, if interest rates are not kept benign, they are not kept soft, then, I have no doubt in my mind, it is going to impact on the growth rate of the Indian economy.

I have already talked about the signs of slowing down. The hon. Finance Minister himself, in his Mid-Term Review, has expressed concern with regard to the output in the petroleum sector. He has expressed concern with regard to the mining sector, especially coal sector. He has expressed concern with regard to other core industries as a whole have grown only by 4.4 per cent. It is less than the growth rate registered last year. He has also expressed concern over textiles where, unfortunately, we are not doing as well in the export market as China is doing or some other countries are doing and these are the concerns which I am not expressing myself. These are the concerns which have been expressed in the Mid-Term Review. Therefore, there are already tell-tale signs in the economy which are warning signals for the future. And, I am sure the Finance Minister will take note of these warning signals.

Sir, the other point that I would like to make is on infrastructure. Much has been said by this Government ever since it came into office about 18-19 months ago about infrastructure. (*Time-bell*) But, I am not aware of even a single major infrastructure project that might have been taken up in the last 18-19 months. The Media Review talks about the Golden Quadrilateral, being completed by the end of 2005. Sir, I belong to a district, through which one of the the so-called Grand Trunk roads of the Golden Quadrilateral passes. I know it for a fact because I travel on that road every now and then. In no way it can be

completed by the end of 2005. But this report, presented to Parliament in December, says, "We are going to complete the Golden Quadrilateral Project by the end of 2005." It was, the Media Review recognizes, an important scheme of the Government and we are very, very concerned, we are very upset that the Golden Quadrilateral Project and the North-South-East-West Corridor road construction project is not receiving the kind of attention that these should have received from this Government.

Sir, I am not here to take credit for the policies that we had followed. But I would only like to remind the hon. Finance Minister. I came across a piece by Raghuram Rajan, the Chief Economist of the IMF, who, in an interview, said, "Most of the momentum that we are seeing in the economy is a result of past policy. And, if these policies are not buttressed by imparting fresh momentum, then, this growth rate will not be maintained." And, here, I would like to point out, Sir, that the record of this Government, as far as economic reforms are concerned, has been, indeed, extremely dismal. There is nothing. There is absolutely nothing, except tinkering with Press note and things of that kind, that this Government has been able to achieve. The whole world knows; the House knows what the compulsions are. They can't even disinvest 10 per cent of the BHEL. ...*(Interruptions)*... You are again provoking me. I am not referring to you, Mr. Dipankar Mukherjee. ...*(Interruptions)*...

SHRI ANAND SHARMA (Himachal Pradesh): Yes, there is a difference. Yes, you are right there is a huge difference because you were moving at a very fast pace. At that time, it was a grand clearance sale of national assets. Now, we have stopped that. ...*(Interruptions)*...

SHRI YASHWANT SINHA: You know the reason why you have stopped. We know the reason why you have stopped. So, don't claim any credit for it. You have not ...*(Interruptions)*... Why don't you consult whoever has to be consulted before you act. Why do you make a spectacle of it? You come out with a grand announcement that 10 per cent of the BHEL will be sold. And, then, you travel with your tail between the two legs, and say. "Nothing will be done." Why do you do this? Why do you make a spectacle? I have the Media Review here, Now, what does the Finance Minister say about the Budget announcements? I will

cover some of them later. He says, "...setting up of a Pensions Fund Regulatory and Development Authority. Modalities are being worked out." What modalities are being worked out? You introduced an Ordinance. You promulgated an Ordinance. Then, you came to Parliament and said, "We are replacing it with the Bill, agreed to refer to the Standing Committee." The Standing Committee worked on it. They have given you their recommendations. Add, now, you are saying modalities are being worked out! You either have the courage to move by it with the economic reforms, or, you don't have the courage to move by it. And, the point that I would like to make is, if you don't have the courage to have economic reforms, please for God's sake don't make announcements where you have to eat your words. That does no credit to the Government. Sir therefore, there were no reforms.

Now, I come to social sector reforms. Sir, I will take a little bit of your time. Much has been said about the great NCMP social sector reforms which are going to be done by this Government. Sir, I made this point when the Budget was presented about Bharat Nirman. What is happening to Bharat Nirman, a flagship scheme of this Government? You have made your calculations; Rs. 1,72,000 crores or Rs. 1,74,000 crores over a period of four years. This year is included in those four years. I had put a question in this House, and the hon. Minister for Rural Development said that we are going to get an additional amount of Rs. 6000 crores from the Finance Ministry for this Bharat Nirman. Now, in this Mid-Year Review I was hoping that they will be saying something definite. What is the difference between a Budget and an election manifesto? In an election manifesto, you do not have to give figures of expenditure. But, why did you reduce the Government Budgets and mid-year reviews to an election manifesto? You are not giving the figures. You have talked about Bharat Nirman here, but you have not talked about figures. What do you say when you are talking about implementing budget announcements? You are saying, " The funding is being worked out. Bharat Nirman, action plans have been drawn up for each of the six components of Bharat Nirman Programme and necessary funding is being tied up." ...*(Interruptions)*... What is wrong! Nine months of the year have passed and you are asking me what is wrong! The point I am making is whether...

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): Mr. Sinha, one second please. ...*(Interruptions)*... See, we want to pass this Bill today. You have already exhausted the time allotted to your Party. Would you try to conclude now? ...*(Interruptions)*... Please try to conclude. ...*(Interruptions)*...

SHRI YASHWANT SINHA: It is for us to discuss this Bill in this House. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): No, no; I will take it up. ...*(Interruptions)*... Please try to conclude now. That is what I am saying. Already time allotted to your party is exhausted. But you please try to conclude as quickly as possible. That is what I am saying.

SHRI YASHWANT SINGH: Sir, I am saying that as far as the EGS is concerned. I saw in the supplementary demands that a sum of Rs. 300 crores has been mentioned here for this. Whether it is the Employment Guarantee Scheme or Bharat Nirman, where are the funds? The Act has been passed by Parliament. How much money are you going to commit? Rupees one lakh and odd crore, we were told, is already provided for Bharat Nirman in the Budget. But the Balance I had calculated—and I have asked this pointed question—will be something like Rs. 18,000 crores every year. And you provide Rs. 5000=Rs. 6000 crores. I do not know how much you are providing for this year. This Bharat Nirman is being launched repeatedly. It was launched once. That was not considered sufficient. So, it has been launched again with CII. So, go on repeatedly launching the programme without providing for them I cannot understand this logic.

Then, Sir. I will just make two small points about the implementation of the budget announcements. I will take up one or two issues. I have already mentioned Bharat Nirman. The Accelerated Irrigation Benefit Programme is there. Rs. 4,800 crores was the amount which was grandly announced by the Finance Minister in his Budget Speech. Then, we learnt, subsequently, that it was increased by Rs. 2000 crores. From Rs. 2,800 crores, it went up to Rs. 4,800 crores for the Accelerated Irrigation Benefit Programme. And, then, we were told that this entire amount has to be borrowed by the State Governments directly. If this amount has to be borrowed by the State Governments, then, what is the great good you are doing? The State Governments will borrow and do

whatever they like with that borrowing. You are being magnanimous on their borrowings and saying Rs. 4,800 crores. What does it say? "The Accelerated Irrigation benefit outlay has been increased to Rs. 4,800 crores for the next year, and the Budget announcement implemented." What has been implemented? If this is implemented, Sir, then, what has been implemented? Rs. 4,800 crores has been raised by the State Governments from the markets. Many last mile irrigation projects have been completed. What has been implemented? I am absolutely unable to understand this. Now, commercial banks, RRBs, cooperative banks, increased flow of credit by another thirty per cent in 2005-06— 'implemented.' Now, 2005-06 is the entire year. You are already saying in the Mid-year Review, 'implemented.' Have we completed this? I do not know, you please explain later.

SHRI P. CHIDAMBARAM: Sir, we have said that agricultural credit will rise by thirty per cent a year, something which the previous Government did not have the courage to say or the capacity to do. We inherited an agricultural credit level of Rs. 80,000 crore. In 2004-05, we said, 'we will raise it by thirty per cent, fixed the target of Rs. 1,05,000 crore. We ended the year with an agricultural credit of Rs. 1,15,000 crore, For the current year, we have said, 'it will be raised to Rs. 1,41,000 crore which is a thirty per cent increase.' We are currently running, at this stage, at forty per cent growth rate over last year and all banks and RRBS have committed that by the end of the year, they will not only achieve the target of Rs. 1,14,000 crore, but they will exceed the target. Therefore, we have the courage to stand and say 'implemented.'

SHRI YASHWANT SINHA: Sir, I admire the courage of the Finance Minister.

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): Sinhaji, now, try to conclude.

SHRI YASHWANT SINHA: The point is, it will be implemented at the end of the year. How can you say in the 'Mid-year Review' that it has already been implemented? You could have said, 'we are running at forty per cent at the moment,' and I would have accepted it.

Sir, similarly, —our friends from Maharashtra and Mumbai will be interested in this—the Mumbai Metro Rail Project, the Mumbai Trans

Harbour Link and the Mumbai Western Expressway Links are examples of projects which could be supported through some Mission. What is the implementation? A specific project will be considered as per the guidelines issued under NURM. That is the implementation. High-powered expert committee to advise Government on how to make Mumbai a regional financial centre, 'implemented.' Mumbai is very far from becoming a regional financial centre, but, according to him, it is already 'implemented.' So, the point I am making is, when you talking about implementation of these announcements, please be a little realistic.

Sir, on agricultural credit, I had no wish to join issue, we are the creators of the Kisan Credit Card. No previous Government had the courage to give the kisans the credit cards that we did, and today, over four-and-a-half-crore farmers have been covered, according to your figure, by Kisan Credit Card, and a sum of hundred thousand crore rupees is advanced to the various farming communities under this scheme. The Finance Minister was talking 'half-truth'. Sir, as is his wont. He did not say 'where we were when we came into office.' We were at Rs. 30,000 crore, which we raised to Rs. 80,000 crore. Sir, I did not want to go into all that.

SHRI JANARADHANA POOJARY (Karnataka): Sir, I am on a point of order. ...*(Interruptions)*... The Bill is introduced in pursuance of articles 114 and 120. The debate is restricted. Sir, it is an Appropriation Bill. He is speaking on it as if he is speaking on the debate on the Budget. ...*(Interruptions)*... How is it? Sir, he has to confine himself to the particular subject only. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): Sinhaji, please try to conclude ...*(Interruptions)*... Please try to conclude ...*(Interruptions)*...

SHRI YASHWANT SINHA: In the end, Sir, I would like to say this and very seriously. We had a Chidambaram Mark I, which was 1996 to 1998; 1996-97, 1997-98, that was Chidambaram Mark I, Sir, what happened in Chidambaram Mark I, when he was the Finance Minister? The growth rate of the economy came down in 1997-98 to 4.8 per cent from a high of over 8 per cent. It crashed in the next year to 4.8 per cent. The unearned income on which the Finance Minister was trying to live at that time lasted, unfortunately, only one year. And, then we went through a whole lot of problems. We tried to wrestle with them. We left behind an annual growth year of the last year of our regime at 8.5 per

cent. You had 6.9 per cent to your credit in the first year of your office; you have, maybe, 7 per cent of 7.5 per cent in this year. Sir, looking at the various factors in the economy, I would only like to say that *Chidambaram-Mark II,* the Finance Minister now, cannot go on living on unearned income of the past for any length of time unless he tries to earn something himself. I hope *Chidambaram-Mark II,* therefore, will be different from *Chidambaram-Mark I.*

SHRI JAIRAM RAMESH (Andhra Pradesh): Sir, after a long period of enforced silence, the hon. Member, Shri Yashwant Sinha, has finally broken his silence and we have had an afternoon devoted to his long speeches.

At the end of listening to him on both his interventions, I suppose, all of us are entitled to ask, ''यशवंत सिन्हा को गुस्सा क्यों आता है''। असलियत यह है कि हर एक भूतपूर्व वित्त मंत्री को गुस्सा आता है, क्योंकि हर एक भूतपूर्व वित्त मंत्री यही सोचता है कि उसके कार्यकाल में ही सब काम हुआ है, न तो उसके बाद कुछ हुआ है और न ही उससे पहले कुछ हुआ था। But, I think, unfortunately, Mr. Yashwant Sinha, instead of focussing on the supplementary demands for grants, went off on trying to defend his track record when he was the Finance Minister.

Sir, the fact of the matter is, in the last twenty-five years, the period, which saw the lowest rate of economic growth, was 1998-2004. It was the period, which had the lowest economic growth. I am not interested in a six-month growth; I am not interested in a one-year growth. I am looking at a five-year average. On a five-year average, if you take the period of the *Yashwant-Jaswant combination*—it rings very well, 'the *Yashwant-Jaswant combination'*—when the *Yashwant-Jaswant combination* were the Finance Ministers, we never had an economic growth, which was lower than that. So, this is nostalgia that what is happening to economic reforms. In the period in which economic reforms were taking place and Mr. Yashwant Sinha and Mr. Jaswant Singh were Finance Ministers, we had the lowest rate of economic growth. So, I hope, Sir, that when we look at these numbers, we don't get mesmerised by 'India Shining.' We have had this debate two years ago; we have had a verdict. And I would request Mr. Yashwant Sinha not to fall into the trap. ...*(Interruptions)*...

SHRI YASHWANT SINHA: We have also had the verdict on Bihar.

SHRI JAIRAM RAMESH: Yes, we have also had a verdict on Bihar. It is a verdict on many issues. So, let us not look at one-year data or two-year data ...*(Interruptions)*... But, Sir, I do want to say that nostalgia for former Finance Ministers are natural.

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): No, no such comments, please.

SHRI JAIRAM RAMESH: And, I am sure, there would be a period when Mr. Chidambaram would say, 'during my time, we did this; what are you doing Mr. Finance Minister?' ...*(Interruptions)*... But, there are four years more to go for that.

Sir, the debate here is on supplementary demands for grants. I want to focus, unlike Mr. Yashwant Sinha, on the supplementary demands for grants.

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): Yes, please focus only on that.

SHRI JAIRAM RAMESH: Sir, I want to make two or three points on the supplementary demands for grants. I also want to make one or two points on the mid-year review of the economy, which was released, which was placed on the Table of the House, just a few days ago. These two documents really have to be seen in tandem with each other.

Sir, on the supplementary demands for grants itself, one point that Mr. Yashwant Sinha made has a lot of validity. I do want to request the hon. Finance Minister to kindly respond to it when he replies. But, there are a large number of important flagship programmes, which would undoubtedly require very substantial resource allocations in 2005-06 itself. And presumably, they would start getting implemented fully next year onwards, that is, 2006-07 onwards.

Sir, I am referring to what he had mentioned about the Bharat Nirman Programme. There are six components of the Bharat Nirman Programme. There is a National Urban Renewal Mission that has been announced recently. There are a whole host of other social sector programmes, which have undergone very significant expansion. And, it is not entirely clear to me, whether the supplementary demands for grants does full justice to

the resource requirements of these programmes. I have particularly in mind, Sir, Bharat Nirman and the National Urban Renewal Mission, because I do believe that the Sarva Siksha Abhiyan, the National Rural Health Mission and the Employment Guarantee Scheme have been adequately provided for. But, after a careful reading of the supplementary demands for grants, I have come to the conclusion that perhaps, the full implementation of the National Urban Renewal Mission and the Bharat Nirman, the Finance Minister is assuming, will start from the next financial year. And, therefore, this supplementary demands for grants does not really reflect the implementation of these important programmes this year. To that extent, I am somewhat in agreement with what Mr. Yashwant Sinha mentioned. Sir, the second point that I want to make on the supplementary Demands for Grants is that Government raises a large number of resources for designated expenditure purposes. We have had cess on diesel and petrol to raise money for the Central Road Fund which goes to fund the Golden Quadrilateral and the Highway Development Projects. We have had two per cent cess on all taxes imposed by Shri Chidambaram in his first year, which would go into the funding of the universalisation of elementary education. Sir, it is still not clear to me from reading the Budget documents, reading the Mid-Year Review and reading the supplementary Demands for Grants, and there is still lack of transparency and clarity, on how these dedicated financing windows operate. Take the *Prarambhik Shiksha Kosh*, for example. It is very important initiative taken by this Government. There is two per cent cess to fund the universalisation of elementary education. My own calculations show that in the last two years, at least, about Rs. 12,000 crores have been collected and should have been parked in the *Prarambhik Shiksha Kosh*. Is it too much to expect the Finance Minister to come up to Parliament and give a statement that here is the money that has been collected from the tax-payers--on which there was no protest, tax payers willingly paid this two per cent cess--and this is where the money is parked and this is where the money is going? Sir, I give you another example. In the last five years, Rs. 10,000 crores have been collected to build up money for the universal service obligation for extending rural telephony by a cess on every mobile phone call that you and I make and all of us make. The unspent balance in this fund is

close to Rs. 8,000 crores. Where is this money? Why are we collecting all this money if we are not going to spend it for the purpose for which it is intended whether it is rural telephones, whether it is primary education and whether it is highways. I know, Finance Ministers are under great compulsions to use this money to balance their books but I wish that in the spirit of the manner in which these funds have been created, I would request the Finance Minister to come to Parliament, sooner rather than later, with all these dedicated financing windows through cesses and levies that have been created and take the nation into confidence that so much money has been collected and this is how the money is being utilised. Sir, on the third point on expenditure, I wish to draw the attention of the hon. Minister and the House to the Mid-Year Review of the economy that was presented by the Finance Ministry a few days ago and Appendix Table-IX which gives a detail of Plan expenditure according to the various Ministries. Now, Sir, I am not one of those who believes in this dictum, this theology that Plan expenditure is good, non-Plan expenditure is always bad. There are occasions in which Plan expenditure may not always be good; there are occasions where non-Plan expenditure is welcome because, after all, all expenditure on education, health rural development is non-Plan expenditure. But, for the time being, let me go along with this commonly held Indian theology that Plan expenditure is good; Plan expenditure should be welcome and the Plan expenditure equals investment expenditure. Sir, when on the macro level the Finance Minister can take credit that his year Plan-expenditure up to the end of September, on which this Document is based, is running over the last year's average, I do want to draw his attention to three or four very disturbing elements in this Table. One is on the Ministry of Human Resource Development, the second is one the Ministry of Rural Development and the third is on the Ministry of Tribal Affairs. Sir, it is a matter of some concern that in the period April to September 2005, as compared to April to September 2004, Plan expenditure in these areas, that is, Human Resource Development, Rural Development and Tribal Development is lower this year than it was last year. There may well be some accounting reasons; they may well be some fund flow problems. I don't know what the details are, but it does seem to me, Sir, that while the overall macro number is very healthy and the Finance Minister can claim credit for increased Plan expenditure for the first five months of the year, I think, the fact that in

these vital areas, flagship areas, important areas of the Common Minimum Programme, that is, Human Resource Development, Rural Development and Tribal Affairs, Plan expenditure this year is lower is something that should invite his attention and concern. Sir, while on the Mid Year Review, I also want to draw his attention to page 16. I am sure a meticulous person that he is, he would have gone through every paragraph, but I do want to draw his attention to page 16 and a very very startling conclusion has been drawn. With great fanfare this Government announced a public-private partnership. In fact, the previous Government also had a similar initiative on public-private partnership to expand expenditure on infrastructure and viability gap funding. A lot of windows were opened. But, the Mid Year Review has come to the conclusion that not a single project has been sanctioned under this Scheme. Sir, this is a matter of great concern. Windows have been created, money has been allocated, public-private partnerships have been put in place, but for the Finance Minister to come up and say, "not a single project has been sanctioned", what does it mean? Is it the legal framework? Is it the regulatory framework? Is it the fact that you are not getting projects from the State Governments; forget the State Governments, you are not getting projects from the Central Government? In my view, this is a paradoxical situation. You have resources; you have the demand for infrastructure and yet, you are coming and making a public acknowledgement that there are no viable projects in infrastructure which you can finance. Sir, this seems to me to be a very very counter-intuitive, counter-factual conclusion that hon. Finance Minister has drawn and I would request him to shed some light on this as well. Sir, I will just take two minutes more and I will finish.

Sir, the other two points I have no expenditure also come out of the Mid year Review. Sir, in his intervention, the Finance Minister just now took credit, and rightly so, for the increase in disbursement of agricultural credit. The flow of agricultural credit has been doubled in three years or will be doubled within three years in keeping with the Common Minimum Programme commitment. Sir, my question to the Finance Minister is: what is the coverage of small and marginal farmers in this increase. Because, as you know very well, the priority sector has a number of agriculture, but what is the coverage of small and marginal farmers under

credit is something which is of grave concern all over because the Agriculture Minister came up recently and he drew attention to the Report that was done by MANAGE on farmer's suicides in Andhra Pradesh which came to the conclusion that only 18 per cent of small and marginal farmers had access in three districts of Prakasham, Ananthpur and Karimnagar which was studied by MANAGE. Only 18 per cent of small and marginal farmers had access to institutional credit. Now, the commonly-held belief in India is that about 40 per cent of small and marginal farmers have access to institutional credit. This was proved wrong by this survey and I want to request the Finance Minister that in his desire to meet the overall targets, on which he is on track, he is going to double agricultural credit, but the real question is: what is the coverage of small and marginal farmers. What is the coverage region wise? Because we know South India does very well; we know Peninsular India does very well, but what is the coverage in Central India; what is the coverage in Bihar, Jharkhand, Chhattisgarh, in the Eastern part of the country where credit deposit ratio, as we all know, is very low. Sir, I think, the regional spread of this credit as well as spread in so far as small and marginal farmers are concerned, is something I would request the Finance Minister to pay full concern.

Finally, Sir, the Supplementary Demand for Grants, the cash outgo in less than Rs. 2000 crores. A lot of it is coming from savings; a lot of it is coming from re-allocations. The actual cash outgo, even assuming the programmes like *Bharat Nirman* and National Urban Renewal Mission are not going to be completely reflected in this Supplementary Demands for Grants, it seems to me that the cash outgo is a very very small proportion, where overall Supplementary Demands for Grants is about Rs. 9000 crores and the actual cash outgo amount to less than Rs. 2000 crores, I would request the Finance Minister, whether he can institutionalise this system when sectors are not able to spend the money that is allocated to them, whether there is an automatic system in which re-allocation take place because we do find, Sir, it is tragic that there are very many areas of national importance which require resources, which require money, but which are simply unable to spend the money according to the schedule that is laid out for them by the Finance Minister and his colleagues. So, in sum, I would say that while Mr. Yashwant Sinha took the debate to a larger plane of the economy, the state of the

economy and so on and so forth, on the limited question of supplementary demands for grants, I would request the Finance Minister, while he takes credit for keeping the extra cash outgo to the barest minimum, to take us into confidence and see that the resources required for important programmes like Bharat Nirman, National Urban Renewal Mission, National Rural Health Mission also are there. Sir, I do want to say, and I think it may have escaped the Finance Minister, that there is no Budget item which says, "National Rural Health Mission'. the entire Ministry of Health and Family Welfare has been converted into a Health Mission, and that is simply not an acceptable proposition. There has to be an item that says about the National Rural Health Mission, and, that so much of money has been spent on National Rural Health Mission.

In the end, I thank you for having given me the opportunity to express my view on this Bill.

THE VICE CHAIRMAN (PROF. P.J. KURIAN): Now, Mr. Nilotpal Basu. Hon. Members, there are five more speakers. I would request every Member who speaks, to be brief and to the point. Otherwise, we will have to sit for a long time. Mr. Basu, you have four minutes.

SHRI NILOTPAL BASU (West Bengal): Okay, Sir. At the very outset, at such a time of the day, I think brevity is also needed for other reasons.

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): Especially in Finance Bills.

SHRI NILOTPAL BASU: Sir, I think we were witnessing a very interesting interplay all this time. I do not want to elaborate too much on the polemics but perhaps the conclusions that Mr. Yashwant Sinha was drawing were wrong. The circumstances under which the particular direction of reforms, which were carried in the five years, and a large part of which period he was adorning the Finance Minister's office, was more due to his fate rather than our proximity. Of course, that was also a message that was given by the people of India through the particular mandate, which got expressed in the Common Minimum Programme. So, therefore, while not going into those unpleasant things, I think, we should concentrate on the situation as it is now.

I think it is a pity that Finance Ministers come and go but whenever

this Appropriation Bill is there, the Supplementary Grants that the Finance Minister comes to the House for, is invariably on the revenue work out. I mean, whether it is not at all possible for us to have extra money on the Plan account, I don't know, and perhaps more experienced people who are there, who had some innings in the North Block can tell us but this is a very interesting thing which we see year after year.

Now the issue is that when we discuss supplementary grants, it given us an opportunity. Mr. Poojary is very right that if we stay within the four wall of the supplementary grants, many things which we discuss during debate on Supplementary Grants and the Appropriation Bill need not be discussed. But, at the same time, I think, it is a good opportunity. Mid-Year Review are also coming to the House, and, it gives us an opportunity to reflect at the midway whether there is any need for course correction and all that. So, I think, I will make very brief remarks about certain things.

First of all, I will touch upon the question of agriculture, which is very important. I think, in the coming days, we will have a larger debate on this also because, I believe, the Commerce Minister will also come and report to the House as to what happened in the WTO meeting. This questions also come up during the debate on WTO in this House that agriculture is the most important issue for us simply because 70 per cent of the people are involved in agriculture in this country. But, the figures of the mid year review are not really very comfortable, if you look at the figures of the foodgrains. There is no appreciable change. We, day in and day out, talk about growing population in this country. I think, the prognosis of our agricultural policies and the financial and economic aspects of agriculture will reveals, yes, it is true; there is an improvement in terms of overall credit flow to agriculture. I was a little, I must concede, pleasantly surprised by the point Mr. Jairam Rameshji was making about the strata-wise classification of agriculture credit. On the absolute validity of the point that he made, I could not agree more with him. I mean, there are issues on which myself and Jairam Rameshji are on the same side and it is always a pleasant experience. We need to concentrate on that point. But, Sir, apart from that (*Time-bell rings*).. Sir, if you.

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): Four minutes are over. How many more minutes do you want? Tell me how much more time you want.

SHRI NILOTPAL BASU: I am totally mindful of your concern, sir.

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): Be brief and be focussed on the point.

SHRI NILOTPAL BASU: I will not take much time. I have been watching how compliant the Members from both sides are.

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): Please, please, be focussed.

SHRI NILOTPAL BASU: Now, the question of agriculture is not only about credits. It is the question of how much of public investment we can make. It is is here that the concern come. I do not know whether the hon. Finance Minister has gone through the two-volume Report of the National Commission on Farmers which was chaired by Prof. Swaminathan. It makes very interesting revelation. This is the central question, whether we can improve public investment levels in agriculture. I think, this is one of the most crucial questions, because, if we see, year after year, our per capita foodgrain availability is coming down. And yet, in WTO, when we talk of agriculture, we adopt a strategy which is geared towards ensuring our exports to the export markets. Whether it is relevant, whether this whole paradigm needs a revisit or not, I think, Mr. Finance Minister would do well to enlighten us on this. I want to make a brief comment on the question of infrastructure and the non-taking off of public-private partnership projects. Now, Sir. I unfortunately, also happen to be the Chairman of a Standing Committee which, day in and day out, deal with all these figures about infrastructure. I am very supportive of public-private partnership as a concept. But, at the same time, in the Indian context, unless we understand that public-private partnership has to be essentially driven by initial public investment, public-private will not take up. Look at your infrastructure projects. One of the major infrastructures, where the maximum slippage has been there, is the power sector. What was the root attempt? What is happening? Where additionality is taking place? What is the quantum of public investment there? What is the quantum and what is the inter

sectoral arrangement in the power sector? What was being touted as great reforms--we have been in Orissa and now in Delhi. You are saying that subsidy is very bad, therefore, if you dismantle your State Electricity Boards, you are going to solve all your problems. But now, we see, in case of Delhi, you end up giving more subsidies to the private sector distributor. How are we going to solve the problem? It sounds very good, public-private partnership. But, how specially in the Indian context, public-private partnership will function, is a question which has to be categorically dealt with. If you look at the road sector, Sir, similarly, you did not have any appreciable amount of private investment in your Golden Quadrilateral project. Now, in the NHDP, we are conceptualising up to seven series. There are many areas, there are many schemes, where you will not get private sector investment. So, I think it is better to be realistic. What we are seeing is this entire unfolding irregularity on the privatisation of Delhi and Bombay airports. And what are our targets? They are completely out of context in terms of contemporary developments that are taking place in some of the countries in East Asia or South East Asia. In Mumbai, we are privatising airports, but we cannot add any runway. We are spending Rs. 3000 crores for a project, which will become redundant in terms of addressing the infrastructure requirements beyond 2012. Yet we are having a Public-Private-Partnership, where investments will go on till 2019.

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): Please, conclude.

SHRI NILOTPAL BASU: Sir, I am just winding up. These are very critical areas whether it is hydrocarbon, whether it is power, whether it is road,or whether it is water. These are basic areas where, In think, more application of mind is necessary.

Finally, I would like to say that the tax structure is also too skewed. I do not know whether the Finance Minister will share with us the proportion of tax realised from the hydrocarbon sector, from the oil sector, as percentage of the total tax that we are collecting. These are actually indirect taxes. I don't agree with Mr. Yashwant Sinhaji that so many taxes are being collected. In India, we have too less tax. Unless our tax-GDP ratio goes up, from those sections which have better wherewithal to pay taxes, we willfind ourselves wanting mobilising the kind of public resources

that we need to ensure induction of further private investment in developing our infrastructure. Thank you, Sir.

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): Now, Mr. R. Kamaraj to speak in Tamil.

*SHRI R. KAMARAJ (Tamil Nadu): Mr. Vice Chairman, Sir, I rise to put forth my views on the appropriation Bill, 2005 on behalf of AIADMK. As provided in the current year's budget, this Bill seeks to withdraw a sum of Rs. 9079.81 crore from the consolidated fund of India. Of this, Rs. 7403 crore is sought for support and subsidy. An amount of Rs. 5780 crore will go towards fertilizer subsidy. Even with all these subsidies, the common man and the farmers are unable to buy these. In view of this reality, I would appeal to the Government not to succumb to international pressure and think of reducing or phasing out subsidies. Though the amount sought is Rs. 9079.81 crore, in actuality only Rs. 1965 crore will go in the form of cash and the rest will be adjusted. Though it is a routine practice, we are duty bound to see whether the funds sought of be withdrawn are spent for public welfare as promised.

Sir, when we look at the supplementary demands, we are led to think that the Government does not have clarity in planning. I say so becuase, 90% of the amount goes towards subsidies and natural calamity relief. This is due to lack of planning. Necessary funds for subsidies and natural calamities should have been provied for in the budget itself. Subsidies have been continuing for years and one or other part of the country is being affected by natural calamity throughout the year. The State Governments try their best to provide relief to the affected people. when the funds required are beyond their means, they approach the centre. And then only the centre starts looking for funds. That is why there is delay in providing funds for relief to the States.

I wish to draw the attention of the House to a provision in this Bill. An amount of Rs. 200 crore is being sought towards natural calamity relief to the States. This amount is too meagre. All are aware of that fact that Tamil Nadu has been severely hit by unprecedented rains and flood. But, of the 3000 crore rupees demanded by Tamil Nadu Government for

*English translation of the original speech in Tamil.

immediate relief, only Rs. 500 crore has been given. That is why the Hon'ble Chief Minister of Tamil Nadu. Dr. Puratchi Thalaivi Amma, met the Hon'ble Prime Minister and demanded Rs. 13,685 crore for relief works in Tamil Nadu. 22 districts including Chennai, Cuddalore, Nagapattinam, Thiruvarur and Thanjavur have been devastated by floods. So, I appeal to the Centre to release 13,685 crore rupees to Tamil Nadu without delay for carrying out relief works.

SOME HON'BLE MEMBERS: Centre has already given 1000 crore rupees.

*SHRI R. KAMARAJ: it is ony promised. Fund has not yet gone. Sir, Tamil Nadu has already demanded 2.58 lakh tons of rice and 43,200 kilo litres kerosene for distribution to the flood victims. The centre should meet this demand and immediately release rice and kerosene to Tamil Nadu.

Mr. Vice Chairman, Sir, agriculture crops have been badly damaged in Tamil Nadu. Cauvery delta farmers have been suffering continuously for years. Earlier they suffered for the want of water and now they suffer due to inundation of water. That is why respected Amma has demanded that the central compensation for paddy be increased from Rs. 2,500 to Rs. 20,000 per hectare. This demand should also be fulfilled without further delay. Compensation for other crops should also be increased substantially.

Sir, cultivation in Cauvery delta has been suffering so far due to scarcity of water and now it is suffering from flood waters. So, the cooperative loans to farmers need to be waived. I request the centre to provide sufficient funds for this purpose as demanded by the Hon'ble Chief Minister of Tamil Nadu. I have a word about the nationalised banks. As per RBI guidelines, at least 18% of the loans should be given to farming sector. But the nationalised banks do not follow this. I appeal to the Government to direct the banks to provide hassle-free loans to farmers and meet the target.

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): Mr. Kamraj, please conclude.

*SHRI R. KAMRAJ: I will conclude in a minute, sir. It is said that 4of,699 kilometer long roads have been laid under the Golden Quadrilateral

*English translation of the original speech in Tamil.

scheme. This is a welcome thing. At the same time, it is the duty of the centre to help the States in laying and developing roads. At present the rural and the district roads in Tamil Nadu are being developed at a cost of Rs. 4,360 crores. As the unprecedented rains and floods have damaged about 20,000 kilometer long roads, huge fund is needed for repairing them. In view of the enormity of the damage caused by rains and floods in Tamil Nadu. I appeal to the Centre to treat this as natural calamity and provide the necessary relief to the State. With these words I conclude.

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): Thank you, Mr. Kamraj Now, Shri Arjun Kumar Sengupta.

SHRI ARJUN KUMAR SENGUPTA (West Bengal): Thank you very much, Mr. Vice-Chairman, Sir. This is a subject on which I could speak at length.

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): No, please be brief and to the point.

SHRI ARJUN KUMAR SENGUPTA (West Bengal): Sir, you have given me very little time.

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): You should conclude in five minutes. Only put the points.

SHRI ARJUN KUMAR SENGUPTA: Okay, Sir, I will, Just a few points I want to mention. It was quite interesting to see, the problem between Mr. Yashwant Sinha and Mr. Chidambaram as to who has been able to get a higher rate of growth through better reforms... Mr. Sinha raised this issue. I think, the impact of Mr. Chidambaram's policies on economic growth has been very substantial for a very simple reason. As Jairam Ramesh has pointed out, the rate of growth during the five-year period of BJP rule was the lowest rate of growth of India in the last decade or so. But that is not important for me.

SHRI YASHWANT SINHA: That is factually incorrect.

SHRI ARJUN KUMAR SENGUPTA: No; I have got the table; I can read it out... *(Interruptions)*....

SHRI YASHWANT SINHA: It is absolutely incorrect. I have all the figures, here, of the Economic Survey. Please calculate it.

SHRI ARJUN KUMAR SENGUPTA: Let me explain. I am not making a statement. I am speaking here on facts. I am telling you that from 1997 to 2002, the rate of growth, here, was 5.4 per cent; during the period 1992-1997, it was 6.68 per cent. And I can go beyond that. I have got the full list.

SHRI YASHWAT SINHA: But what about 2004? ...(*Interruptions*)...

SHRI ARJUN KUMAR SENGUPTA: But, Mr. Vice-Chairman, Sir, this is not the issue. I am not interested in the rate of growth. I am not interested in it at all. Mr. Yashwant Sinha has been one of our best Finance Ministers; I have no doubt about that. The time has now come to forget about these debates because you cannot control what exactly is going to be the rate of growth. It is the policy that is more important, and that is where, I think, one of the targets that Mr. Chidambaram's limited regime has achieved. It is that for the first time, after many years, there has been a substantial increase in the private rate of investment in our country and a substantial increase in the rate of investment in the public sector. These are well-known numbers. But I do not want to dwell on them. I have very little time. I only want to point out---and this is for Mr. Chidambaram--that Mark-II Chidambaram should be different. He is the Finance Minsiter of a Government which has categorically stated that economic growth and economic reforms are instruments; they are not the standards by which the perfomance of this Government is going to be judged. They are the instruments for achieving social reforms, social goals and the kind of programmes that Mr. Jairam Ramesh has pointed out, the specific agricultural, industrial, anti-poverty programmes. And this is what we expect Mr. Chidambaram's resolve should be. He has pointed out in his Mid-Year Review--and this is something which I hope he would be able to deal with, at length, in the Budget--how exactly all the social programmes, whether it is the Employment Guarantee Programme, whether it is the Bharat Nirman Programme, whether it is the Programme of Social Security, how they are going to be implemented. They are State subjects.

It is a new paradigm, a paradigm where you have to take the States with you, look at them how they are actually facing the problems, and achieve these results. And, I think, this would be the touchstone for Mr. Chidambaram too.

Another point-and this is my last point, Sir, — is that one of the main reasons why this Government came to power is that you forgot that only five per cent of the population had a very shining State. I have the number; People with two thousand rupees, per capita, per month expenditure in our country comes to only five per cent. That is according to the NSS data with me. So, they thought that these people are very rich, they are enjoying life, they are going to malls, discoes, restaurants, they are having air-conditioners and other gadgets. For them, India was shining. It was very easy for the Congress Party, under the leadership of Mrs. Sonia Gandhi, to go to the people to say that this is not the India that we want to make. We want to uplift the aam janata. This particular message was trusted, was believed by the people. And they brought them back. I hope, this particular point Mr. Chidambaram would keep in mind and would think about alternative ways of going about it. One of the alternative ways-I am not the first one raising this issue-is to have a consumption tax, a tax which was proposed by professor Kaldor, who was the tutor of Dr. Manmohan Singh, What does it mean? I just want to prescribe this; you deduct from income your savings or your investments, and you are taxed at the consumption level at a highly progressive rate to restrain non-essential consumption. I am not suggesting that there should be a rise in the tax rates on luxury products. etc.

That would distort the price. You must impose a simple consumption tax. This is one way of refraining luxury consumption at least, people would realise that the rich people who consume more and not save more are taxed, more than those who can afford only essential consumption.

Mr. Vice-Chairman, Sir, in India, the household savings have got stuck at 18 to 19 per cent in spite of the fact that our income-are growing. Why? Because those people whose incomes are growing, whether in the middle-income are higher income branches, overspend. This the effect of

globalisation. They see the glittering luxury consumption and they are overspending. It has to be changed. You are talking about China. China's rate of savings is 38 per cent and ours is only 27 per cent. This is the difference that we have to reduce and that is the kind of policy we expect from Mr. Chidambaram. Thank you.

THE VICE-CHAIRMAN (PROF.P.J. KURIAN): Shri C. Ramachandraiah. Before you begin, if the House agrees, I would request Mr. Narayanasamy, who was a Member of the previous Panel of Vice-Chairmen, to relieve me for five minutes. I hope the House agrees.

SOME HON. MEMBERS: We agree.

[THE VICE-CHAIRMAN (SHRI V. NARAYANASAMY), in the Chair.]

SHRI C. RAMACHANDRAIAH: Sir, one year or two years are not sufficient to assess the performance of any Finance Minister.

SHRI P. CHIDAMBARAM:You are not assessing my performance.

SHRI C. RAMACHANDRAIAH: I am trying to assess the economy for a long period, not for one or two years.

SHRI P. CHIDAMBARAM: That is correct.

SHRI C. RAMACHANDRAIAH: On the edifice that has been created by the NDA Government, you might be building or whatever you want you are building. So, I don't clearly demarcate what is your performance and what we are going to perform. The overall macro-environment for GDP growth is quite favourable. The inflation rate is at 4.2 per cent. I don't think that it is a hindrance or obstacle to growth. There is improvement in investment climate accompanied by rapid expansion of non-food credit also. There is very good corporate profitability. There are very good indications. But if we go through the Mid Term Review, there are certain things which are still, you can say honestly, very alarming. Take, for example, unemployment. Unutilised capacity and large-scale involuntary unempolyment still co-exist in our country. The Government has failed to come out with any concrete measure to step up the overall public investment. Private sector is; not a panacea for all the ills of the economy. It is not the panacea. We have mooted public-private partnership. Mr. Jairam Ramesh, though he is a Member belonging to the Treasury Benches, was himself asking, why, in spite of these

congenial atmosphere and favourable conditions, we should not come forward with a single project. The hon. Finance Minister has to give a reply to it. The targeted public investment was 7.5 per cent of the GDP in 2003-04 and the actual public investment was only 6.15 per cent. Unless the investment in the public sector is improved, stepped up, it is very difficult to solve the unemployment problem in this country. The sensex may go up to 9200 points and the rate of growth may be 8 per cent. But still a major percentage of the population is living below the poverty line with empty bellies, and in the process of the so-called economic reforms we have built up islands of prosperity amidst the ocean of poverty. The skewed distribution of wealth has to be taken care of.

7.00 P.M.

Even today the unemployment rate is going up. When compared to the growth of workforce, unemployment growth is substantially high.

I come to investments in agriculture. When you say that the farm credit has been increased, I feel very happy. At least, we will see the result in the next two to three years. But what about the agriculture infrastructure? Banks are flooded with funds. There is a very good climate for investment in this country. Sufficient water is available in rivers. We have got very good belts, i.e. the Gangetic Belt and the Godavari Belt. Why are we unable to produce products which are competitive at the international level? Our productivity is very low. The country has to address these fundamental issues. We have seen many Governments, but, ultimately, the condition of the common man has not improved.

[THE VICE-CHAIRMAN (PROF. P.J. KURIAN) in the Chair.]

Coming again to the farm sector, Sir, it is still plagued with inadequate output growth. It is plagued with a lot of problems. There are umpteen people who are committing suicides even today. One has to dig a bore-well 700 to 800 feet deep to get water. Still the Indian farmer is depending on the vagaries of monsoon. We are unable to bail him out. What exactly have we achieved after the completion of the Ninth Five Year Plan? Now we are in the fourth year of the Tenth Plan. It is high time that we should have an introspection.

THE VICE CHAIRMAN (PROF. P.J. KURIAN): Please conclude.

SHRI C. RAMACHANDRAIAH: I thought I have yet to make a beginning.

THE VICE-CHAIRMAN (PROF. P.J. KURIAN): Your party was given four minutes which you have already exhausted.

SHRI C. RAMACHANDRAIAH: I will conclude. When a warning comes from the Chair, I don't want to stand on my legs. The Government had made lofty promises for course correction in many sectors like agriculture, employment generation, poverty alleviation and food security. But the commensurate steps are not satisfactory. Adequate steps have not been taken. Unless you address this basic issue, no Government can claim that they have succeeded. Thank you.

डॉ. कुमकुम राय (बिहार): उपसभाध्यक्ष महोदय, धन्यवाद। मैं वर्ष 2005-2006 की अनुदानों की अनुपूरक मांगों का अनुमोदन करने के लिए खड़ी हुई हूं।

महोदय, राष्ट्रीय न्यूनतम साझा कार्यक्रम के अनुसार इस बजट में उन सामाजिक एवं आर्थिक लक्ष्यों को प्राप्त करने के लिए पूरा प्रयास किया गया है, जिनमें गरीबी उन्मूलन, बेरोज़गारी कम करने तथा प्रतिवर्ष सात से आठ प्रतिशत आर्थिक वृद्धि दर प्राप्त करना शामिल है। कई वर्षों के बाद यह स्थिति सामने आई है कि सरकार ने बजट में ग्रामीण क्षेत्रों और किसान वर्ग की तरफ अपना ध्यान केन्द्रित किया है। मांग संख्या एक कृषि से संबंधित है, जोकि ग्रामीण गोदामों को बनाने के लिए मांगी गई है। ग्रामीण गोदामों का निर्माण किसानों की आर्थिक स्थिति सुधारने के लिए आवश्यक है, किन्तु इस मद में कम राशि रखने एवं समय पर इसका पूरा उपयोग न कर पाने के कारण किसानों को अपेक्षित लाभ नहीं मिल पा रहा है। महोदय, बिहार के ग्रामीण इलाकों में ऐसे गोदामों की संख्या और अधिक बढ़नी चाहिए।

मांग संख्या आठ में वित्त मंत्री महोदय ने रासायनिक उर्वरक बनाने वाली कंपनियों को सब्सिडी देने के लिए धन मांगा है। मैं माननीय वित्त मंत्री जी से अनुरोध करना चाहती हूं कि ऐसी कोई व्यवस्था की जाए ताकि सब्सिडी का लाभ किसानों तक पहुंचे और उन्हें यह महसूस भी हो सके, हालांकि सरकार ने इस क्षेत्र में सराहनीय पहल की है।

मार्किट इंटरवेन्शन स्कीम, जो एनडीए के राज्य में मात्र 458 करोड़ रुपये थी, इस सरकार ने उसे पिछले वर्ष आठ गुना करके 3612 करोड़ रुपये किया है, सरकार का ध्यान गांवों एवं किसानों की तरफ है।

हमारा लक्ष्य 50 लाख किसानों तक ऋण उपलब्ध कराने का था, लेकिन हमने इस लक्ष्य से भी आगे बढ़कर 80 लाख नये किसानों को ऋण दिया है। नेशनल हॉर्टिकल्चर मिशन के लिए सरकार

ने 2300 करोड़ रुपये की स्वीकृति दी है। गेहूं और धान के प्रोक्योरमेंट में पिछले वर्ष की तुलना में 20 मीट्रिक टन की वृद्धि हुई है। मेरा आपसे अनुरोध है कि बिहार में धान की प्रोक्योरमेंट प्रक्रिया को और अधिक बढ़ाया जाए। यूरिया की खपत में भी पांच प्रतिशत की वृद्धि हुई और डीएपी की खपत में 10 प्रतिशत की वृद्धि हुई। यह प्रगति का सूचक है। खाद्य पदार्थों की कीमतों में बढ़ोतरी नहीं हुई इसलिए यह संतोषजनक है।

महोदय, फसल बीमा महत्वपूर्ण क्षेत्र है।

आज सिर्फ 11 प्रतिशत किसान ही फसल बीमा का लाभ उठा पाते हैं। सरकार ने इस दिशा में काफी मेहनत की है ताकि इस संख्या में वृद्धि हो। प्राकृतिक आपदा आने पर केन्द्र सरकार राज्य सरकारों की सहायता करती है। मेरा अनुरोध है कि छोटे किसानों को भी यह मदद सुनिश्चित कराई जा सके ऐसे उपाय करने होंगे। बैंकों से सिर्फ 36 प्रतिशत लोग ही ऋण लेते हैं। बाकी सेठ महाजनों के चंगुल में पड़कर शोषित होते हैं। इस तरफ ध्यान देने की आवश्यकता है। बैंक से मिलने वाले कृषि ऋण पर ब्याज दर को हमें कम करने की तरफ ध्यान देना चाहिए। किसानों से जुड़ी एक और समस्या की तरफ सरकार का ध्यान आकृष्ट कराना चाहती हूं। आज भी हमारे देश में कृषि भूमि का सिर्फ 40 प्रतिशत भाग ही सिंचित है। सरकार को किसानों के लिए पर्याप्त मात्रा में सिंचाई के साधन सुलभ कराने चाहिए। इन्हीं समस्याओं के कारण कृषि क्षेत्र में बेरोजगारी बढ़ी है। यदि दसवीं योजना के मध्यावधि आकलन के आंकड़ों को देखा जाए तो इसके अनुसार 2004-2005 में 3.64 करोड़ लोग बेरोजगार थे। इस पर ध्यान देने की जरूरत है।

मैं मांग संख्या-57 के मद में बुनियादी शिक्षा एवं साक्षरता विभाग के विषय में कहना चाहती हूं कि सरकार बधाई की पात्र है कि सर्वशिक्षा अभियान का फालोअप भी सही ढंग से किया जा रहा है। सरकार ने सर्वशिक्षा अभियान के अंतर्गत नए प्रकार की एवं प्रयोगात्मक शिक्षा पर अतिरिक्त व्यय की पूर्ति के लिए 8 करोड़ रुपए रखे हैं। मैं माननीय मंत्री जी से अनुरोध करती हूं कि इस अभियान में महत्वपूर्ण घटक शिक्षामित्र हैं और उन शिक्षा मित्रों को मात्र 1500 रुपए मासिक मानदेय दिया जाता है। मैं अनुरोध करना चाहती हूं कि उन शिक्षामित्रों को अगले बजट में आप कम से कम तीन हजार रुपए मासिक मानदेय देना सुनिश्चित करेंगे। सरकार ने महिला एवं बाल विकास विभाग के लिए मांग संख्या-59 में कुल 37.82 करोड़ रुपए रखे हैं। मैं कहना चाहती हूं कि समेकित बाल विकास सेवा योजना एवं किशोरी शक्ति योजना के बारे में जागरूकता, प्रशिक्षण एवं मॉनीटरिंग की ओर सरकार का ध्यान जाना चाहिए और इस योजना में जो महत्वपूर्ण घटक उस योजना की जो सहायिका एवं कार्यकर्ती हैं उनको कम से कम चतुर्थ श्रेणी का कर्मचारी का दर्जा दिया जाए।

सरकार ने राजीव गांधी पेयजल मिशन के तहत सभी पेयजल योजनाओं को समायोजित तो कर लिया है। किन्तु अभी कार्य सुचारु ढंग से चल नहीं रहा है। इसमें तेजी लाने की आवश्यकता है। 300 करोड़ की ग्रामीण रोजगार गारंटी योजना शीघ्र चालू करने की आवश्यकता है। प्रधान मंत्री ग्राम सड़क योजना पर भी विशेष ध्यान देने की आवश्यकता है। मैं मंत्री जी से मांग संख्या-104 के बाबत जानना चाहती हूं कि बिहार में नेपाल से निकलने वाली नदियों जैसे कोसी पर डैम बनाने के लिए नेपाल सरकार से वार्ता और समझौता कर 30 करोड़ की राशि डी०पी०आर० के लिए आबंटन की बात मैंने सुनी थी। उस संबंध में क्या प्रगति हुई इसे आप स्पष्ट करेंगे? और उसके फालोअप में क्या किया जा रहा है इसे भी स्पष्ट करेंगे।

उपसभाध्यक्ष (प्रो० पी० जे० कुरियन): प्लीज कांक्लूड।

डा० कुमकुम राय: बस, एक मिनट। अब मैं सदन एवं मंत्री जी का ध्यान मांग संख्या-50 की ओर दिलाना चाहती हूं जिसमें उन्होंने सरकारी क्षेत्र उद्यमों की पुनरुद्धार योजनाओं के लिए एकमुश्त प्रावधान तथा सरकारी क्षेत्र उद्यमों की पुनर्संरचना के लिए एकमुश्त प्रावधान के रूप में 116 और 94 करोड़ रुपए रखे हैं। मैं बिहार के मुजफ्फरपुर स्थित भारत वैगन एवं मोकामा की भारत वैगन की इकाई जोकि भारी उद्योग निगम लिमिटेड, कोलकाता के अधीन है, के विषय में जानना चाहती हूं कि क्या इसे भी इसमें शामिल किया गया है या नहीं? यदि नहीं, तो इसे भी शामिल किया जाए, क्योंकि इसमें मात्र 28 करोड़ का घाटा है। इसे माफ करके इसे पुनर्गठित करते हुए स्वतंत्र इकाई के रूप में चलाया जाए।

उपसभाध्यक्ष (प्रो० पी० जे० कुरियन): आपका टाइम चार मिनट था और आपने 6 मिनट ले लिए हैं। अब आप बैठ जाएं।

डा० कुमकुम राय: अन्त में, मैं कहना चाहूंगी कि पंचायत सशक्तिकरण प्रोत्साहन योजना, राष्ट्रीय ग्राम स्वराज योजना, प्रधान मंत्री ग्राम सड़क योजना, समेकित बंजर भूमि विकास योजना का सही ढंग से कार्यान्वयन कराने के लिए ब्लॉक स्तर पर कमेटी गठित की जाए। मैं इन्हीं शब्दों के साथ अपनी बात समाप्त करती हूं।

उपसभाध्यक्ष (प्रो० पी० जे० कुरियन): आपका टाइम 4 मिनट था, मैंने आपको 7 मिनट दिया।

डा० कुमकुम राय: सब लोगों ने ज्यादा बोला है। एक महिला जब मैं बोलने लगी तो आप जल्दी कर रहे हैं। यह सरासर अन्याय है।

उपसभाध्यक्ष (प्रो० पी० जे० कुरियन): आपकी पार्टी से अभी एक मेंबर और बोलना है।